



## Compilation of Comments Received

Stakeholder Engagement Plan  
Request for Feedback  
20 March 2017

*Note: Comments grouped by section lettering/numbering based on the 21 November 2016 draft Plan. Comment text and style compiled generally as submitted with only occasional minor format editing.*

### Respondents:

AM Best  
American Insurance Association (AIA)  
Association of Mutual Insurers & Insurance Cooperatives in Europe (AMICE)  
Center for Economic Justice (CEJ)  
European Captive Insurance and Reinsurance Owners' Association (ECIROA) jointly with Captive Insurance Companies Association (CICA)  
German Insurance Association (GDV)  
Global Federation of Insurance Associations (GFIA)  
Institute of International Finance (IIF)  
International Actuarial Association (IAA)  
International Cooperative and Mutual Insurance Federation (ICMIF)  
Lloyd's of London (Lloyd's)  
National Association of Mutual Insurance Companies (NAMIC)  
Property Casualty Insurers Association of America (PCI)  
Swiss Re  
The Geneva Association (GA)  
World Federation of Insurance Intermediaries (WFII)

### General

(IIF) The IIF strongly supports an active, transparent policy and process for meaningful engagement between the IAIS and stakeholders. Examples of welcome enhancements include the full 2-day Global Seminar and the wide-ranging set of issues; the opening of the Annual Conference to stakeholders; the addition of a January meeting for stakeholders; and the ExCo-level consideration of how to achieve the IAIS commitment to effective interaction with SHs through the establishment of the Stakeholder Engagement Task Force (SETF). In the interest of brevity, we will focus our remaining comments only on select parts of the draft Plan.

(IIF) For greater efficiency in consultations, we encourage the use of numbered paragraphs. (This consultation is an example of a document which would have benefited from this numbering for ease of reference to content.)

(IIF) It bears repeating pleas from stakeholders for the past several years strongly to consider increasing the opportunity for stakeholders to engage regularly with IAIS members at the subcommittee and WG levels. Contrary to some statements made since the IAIS eliminated "observer" status, the attendance and controlled participation by stakeholders in subcommittee/working group meetings was widely believed – by regulators and SHs – as

extremely valuable. Inappropriate stakeholder interventions or behaviour were limited to a small few isolated incidents; in the remainder of the extensive interaction between stakeholders and subject matter subcommittees/working groups, the exchange of views greatly enriched the knowledge and understanding of both the regulatory objectives and the practical business implications of issues under consideration. We urge the IAIS to increase the opportunities for this regular interaction, supported by clear meeting procedures and training for chairs and vice chairs on how best to interact with stakeholders in meetings.

(NAMIC) The IAIS Stakeholder Engagement Plan consultation draft (the “Plan”), shared with stakeholders in November, offers another opportunity to discuss the best methods for engaging interested parties in policymaking at the IAIS. This engagement with standard-setting supervisors is critical to NAMIC members. In this letter, we provide our comments, and we appreciate the thoughtful consideration of these ideas by the Stakeholder Engagement Task Force.

NAMIC is the largest property/casualty insurance trade association in the United States, with more than 1,400 member companies representing 39 percent of the total U.S. market. NAMIC supports regional and local mutual insurance companies on main streets across the country and many of the country’s largest national and international insurers. NAMIC member companies serve more than 170 million policyholders and write more than \$230 billion in annual premiums. Our members account for 54 percent of homeowners, 43 percent of automobile, and 32 percent of the business insurance markets in the United States. Through NAMIC advocacy programs we promote public policy solutions that benefit NAMIC member companies and the policyholders they serve and foster greater understanding and recognition of the unique alignment of interests between management and policyholders of mutual companies. While NAMIC still has reservations with closed meetings, we have found more opportunities this year to express our views than ever before. The new stakeholder engagement system has provided opportunities, but in some cases the access is to a limited audience. Teleconferences and in-person meetings that involve the full committee membership are the most useful.

Without the full committee, we still struggle to reach the decisionmakers before decisions are made and to understand the reason for the decisions. NAMIC notes in the draft Plan that special or targeted access to committee meetings and specific outreach is anticipated for some groups. We also note that there are additional improvements that could be made to improve overall due process for stakeholders. We include comments throughout the draft and in this introduction about these issues for consideration before the Plan is finalized. We appreciate the opportunity to provide our thoughts and possible improvements to the Plan.

### **Special Access to Committee Dialogue**

Several unique groups are affected by IAIS actions, and this consultation includes providing special access to consumer groups and academics. These groups may be important for specific outreach, but NAMIC would assert that small companies are another unique group worthy of special access and outreach. Small mutual companies in particular have unique needs that are like those of consumers in several ways:

- Like consumers, small companies do not have the resources to attend IAIS meetings or even to follow activities of the IAIS to represent themselves; they rely on their trade associations to inform them of IAIS activities and comment on their behalf;
- Like consumers, there are many more small companies than large companies that are impacted by ICPs and IAIS activities, and, in aggregate, they represent a very significant segment of the insurance market;

- Small mutual companies' interests align with those of their policyholders, the consumers of their products, since they are essentially owned by their policyholders;
- Small companies do not have economies of scale, as large, multinational companies do to absorb the cost of regulation, so compliance with regulation can result in very significant costs as a percent of their overall expenses;
- The risks, concerns, and strategies of small companies are very different from those of large insurance groups; for this reason, the IAIS would benefit from a specific focus on the issues from the small company perspective before finalizing regulatory decisions; and
- The repercussions of new regulatory initiatives for small companies (and their policyholders) can include insolvency or dissolution and abandonment of the coverage for the niche of the market they serve.

Additionally, while NAMIC can speak on behalf of small companies, there are not as many trade associations that represent their concerns at the IAIS, and the impacts on very large companies seem to be the focus of most stakeholder discussions. Also, IAIS has removed the proportionality language from individual ICPs that was originally used to justify different rules for smaller institutions. IAIS now focuses more on proportionality as a tool for adding levels of regulation as companies increase in size instead of reducing it as companies decrease in size.

By adding small companies as a special interest group the IAIS will be able to take the time to consider that small company needs may be different, and that the burdens of the ICPs could create a disproportionate burden that may well result in their insolvency or dissolution. In the U.S., we have a process in all 50 states requiring regulators to consider whether new regulation could create an undue burden for small companies. These are called Regulatory Flexibility Acts. These acts require specific regulatory attention to disproportionate burdens on small businesses and the creation of legal/regulatory alternatives for small businesses when options are available. This is the type of attention that we seek. No ICP should put well-managed, small companies out of business.

### **Due Process Improvements**

NAMIC's second set of issues include possible improvements to due process for IAIS stakeholder engagement events. We offer, for the Task force's consideration, additional ideas to enhance the stakeholder process including added information in the meeting notices, meeting recordings and advance notice and material distribution:

**1. Information in Meeting Notices.** In meeting notices, it would be useful if all stakeholders knew who, in addition to members, were being invited to committee meetings. If there could be identification of any group of or individual stakeholder invited to attend the meeting by organization name and country of domicile that would be very helpful. This would give all interested stakeholders the opportunity to ask for time on the committee agenda to provide alternative views. If a single stakeholder from a single country is heard without a discussion of alternative views from other jurisdictions, other lines of insurance, or other companies the IAIS committees are at risk of being influenced without all the facts. When such unbalanced influence occurs the IAIS may unwittingly be developing policies that do not result in a level playing field.

**2. Recording Special Committee Meetings.** Another way to level the playing field and provide due process would be to record the meetings and make them available in the archives for all stakeholders to access if interested. At a minimum, if committee meetings are held that include

consumer groups, individual companies, or trade associations, and that are not open to all stakeholders, at least IAIS could record those meetings so they can be available to all shortly after the meeting. This would help stakeholders understand the rationale for decisions, would provide detail necessary for stakeholders to address misunderstandings on issues, and would prevent repetitive, useless, communications on issues that had already been decided.

**3. Advance Notice Improving Stakeholder Engagement.** To improve the level of effective stakeholder engagement advance notice of the meeting and materials could have a great impact. If agendas, meeting documents for discussion, and, if possible, PowerPoints, were posted earlier than 7 days before the meetings this would promote effective communication with stakeholders. The consultation draft only includes a 7-day advance requirement for posting materials. If the Plan included a 30-day notice goal and a 7-day absolute minimum, it would encourage earlier distribution by the committees. Not only would this provide additional time for the stakeholders to review and understand the materials for discussion, it would also give the committee members more time to prepare for stakeholder events. Seven days is a very short time for such complicated discussions.

(AMICE) AMICE (the Association of Mutual Insurers & Insurance Cooperatives in Europe) represents an industry sector responsible for about 30% of premiums in Europe, with approximately 400 million policyholders. The mutual and cooperative insurance industry is unique in that its clients have an integral role as members, who have an ownership/governance relationship with the risk carrier. Further, benefits derived by the business are shared with the member-policyholders in various ways, and there is an intrinsic commitment to values such as long-term relationships, democratic governance, social responsibility, resilience and stability.

In representing this sector in Europe, AMICE has for many years engaged with EIOPA on a wide range of consultations, and has found the framework established to be transparent and effective. We are bringing our extensive experience of these types of engagement to our responses under this consultation.

Many of the proposals made in this consultation are very welcome enhancements to the stakeholder engagement regime, and therefore where we are tacit in our response, this implies that we support the proposals.

(ICMIF) ICMIF is the only global body that represents cooperatives and mutual insurers. It holds several years' of exclusive data about the mutual sector at global, regional and national levels. According to 2015 figures, the mutual and cooperative insurance sector worldwide represents 27% of the global insurance market share by premium. The mutual sector is the fastest growing part of the insurance market having grown by 22% since 2007 against 8% growth of the industry. The sector's assets of USD 8.1 trillion are roughly a third of global insurance assets and have grown by more than 30% since 2007. Employment in the sector has grown by more than 20% since 2007 and accounts for more than one million jobs. In short the mutual sector is significantly contributing to global GDP growth and job creation.

With its global headquarters in the United Kingdom and regional offices in Washington DC, USA; Tokyo, Japan, and Brussels, Belgium, today ICMIF represents 290 values-based insurers in 75 countries with USD 300 billion premium income.

(PCI) On-going and focused dialogue between supervisors and stakeholders is the only way to assure effective and efficient supervisory outcomes. A critical component for this dialogue is the ability of stakeholders and supervisors to engage together on work streams throughout their evolution, not just at the end through formal consultation when minds may already have been made up. Accordingly, PCI urges the IAIS to specifically provide for periodic opportunities for stakeholders to participate with supervisors in committee, subcommittee and working group

meetings. Of course, this does not mean that every minute of every meeting, or even that every meeting needs to be open. For example, meetings could be partially closed when there is a discussion of company specific information but open when there is a discussion of the ICPs. Or working groups could hold one open meeting per year, as we suggest in later comments. When chair persons have allowed this kind of transparency in the past, the shared view was that it was mutually beneficial.

(WFII) WFII welcomes the opportunity offered by the IAIS to give feedback on its draft Stakeholder Engagement Plan. WFII, as a stakeholder, welcomes the objectives of the plan and the initiative to invite stakeholders to give feedback. At this moment the drafting process of supervisory and supporting material is, in our opinion, not transparent for stakeholders and due to the process our input as experts is less efficient and effective than it could be. We note that the IAIS states that effective stakeholder engagement is an institutional priority, that it wants to operate in an open and transparent manner and that when reviewing its strategic goals, one key goal was to improve the process of obtaining quality stakeholder input. WFII believes that industry and the federations which are recognised representatives of their sector can highly contribute to these objectives. In this respect we should be able to follow closely discussions and comment on the work of the drafting teams.

In this respect, the process would be more transparent and efficient if stakeholders, like WFII, would have access to all the subsequent drafts (and thus not only the draft in its final stage) of the material that is developed by a Working Group. In any event the consultation on the final version should be in at least two phases so that possible changes based upon a first consultation can be re-considered in the context of the redrafted version.

Also, stakeholders such as WFII should have the possibility to participate in the Committee and Working Group meetings (or at least parts of it) that are of interest to its members in order to follow the discussions, deliberations and decisions associated with the development of IAIS supervisory and supporting material.

Allowing to participate in the relevant Working Group meetings and by having access to all subsequent drafts of supervisory and supporting material, would optimise the transparency necessary to achieve good consultation and good analysis of the impact of the material/proposals in a real world situation. This would also result in a better understanding (both for industry and supervisors) of how the proposals will affect the operation of the insurance markets and what will be the positive or negative outcomes and unintended consequences.

We note that the IAIS wants to engage more with academic communities. Also industry works often with academics for certain projects and we believe that the academic community can indeed have a useful input. This academic input does however not replace the input from professionals and their representatives.

We believe that during the drafting of supervisory and supporting material, it should be considered to include in the process a cost/benefit analysis of the proposals and an assessment of the impact the proposals might have on the operation of the insurance market. Concerned stakeholders should have the opportunity to provide comments and make submissions on the proposals being considered.

(GDV) The German Insurance Association welcomes the opportunity to comment on the Draft Stakeholder Engagement Plan. We appreciate the continuing efforts of the IAIS to enhance stakeholder's involvement under the new governance structure. The discontinuation of the Observer status as of January 1 2015 was the key element of the revised structure which



certainly has shaped profile and credibility of the IAIS, but also raised legitimate concerns how to ensure balance and quality of the IAIS' work with a limited degree of stakeholder participation.

The Draft Stakeholder Engagement Plan reflects measures which already have been partly enforced in the meantime to ensure proper involvement. These measures, in particular the revision of the consultation process and the increased number of stakeholder dialogues, helped to address stakeholder concerns in a constructive and transparent way. We encourage the IAIS to further explore how the existing engagement commitments, policies and strategies could be improved and would offer the following recommendations:

**Balanced emphasis on different stakeholder groups:** We note that the Stakeholder Engagement Task Force has very much focused on considerations specific for consumers and academics, but did not discuss substantial proposals how the commitments, policies and strategies of general applicability (which would cover the involvement of the industry) could be visibly strengthened. Instead, the stated initiatives mostly build on the status quo and elaborate on quantitative improvements rather than taking into consideration qualitative advancements. For instance, the IAIS could commit on extending the consultation process on material prior to adoption. Just recently, the Resolution Working Group of the IAIS did so by informally consulting early versions of ICP 12 and Module 3 Element 3 of ComFrame and enabled stakeholders to contribute valuable input early on.

**Equal involvement of stakeholders:** We support the notion –as stated in the general approach to stakeholder engagement– that the “IAIS should not show a preference among stakeholders” while maintaining “flexibility as some differentiation may be appropriate on a case-by-case basis”. It is very important that stakeholder’s feedback is solicited without bias and deserve equal treatment. We understand that limited participation may be justified in exceptional cases –for instance the sample of volunteers taking part in the ICS field testing exercise–in order to obtain targeted feedback. However, the principle of equal treatment should be elevated und therefore incorporated in the new commitments, policies and strategies.

**Ranking of initiatives:** We do not understand the rationale for classifying action points into Level 1 and Level 2 initiatives. This distinction seems to be artificial and implies that some measures deserve a lower priority than others. For instance, there is no real difference between improving the IAIS website (classified as Level 1) and analyze the website organization (classified as Level 2). Both measures are supposed to enhance the digital communication with stakeholders and should be targeted on an ongoing basis. Therefore, we recommend abandoning the ranking of initiatives and exploring other meaningful ways to establish some kind of classification.

(Lloyds) Lloyd’s appreciates the opportunity to comment on the IAIS consultation on the “Draft stakeholder engagement plan”.

Lloyd’s is a society of members incorporated under the Lloyd’s Acts 1871 – 1982, which operates as an insurance and reinsurance market in London. Its aggregate premium income in 2015 was GBP £26.7bn. We fully support the IAIS’s commitment to review the stakeholder engagement plan, in line with its statutory obligation to operate in an open and transparent fashion, setting an appropriate example of transparency, administrative due process and governance. Lloyd’s acknowledges that a number of improvements have been introduced since the industry were last consulted on this matter (December 2014). These include the following elements:

-Introduction of stakeholders meetings to discuss ongoing projects and to seek technical input from industry participants in the developments of key initiatives such as the ICS and ComFrame;

-Opening up the Annual General Meeting to industry participants; and,

-Improved communication channels (mainly the IAIS newsletter and website).

Further details are provided below under the specified sections of the paper.

We encourage the IAIS to continue to improve the channels of interaction with stakeholders and welcome future consultations on the subject.

(CEJ) While the Center for Economic Justice appreciates the IAIS's recognition of the importance of consumer stakeholder engagement and the need to be more pro-active in soliciting and ensuring such engagement, we are extremely disappointed in the proposal. The contrast between the extensive, detailed and measurable proposals for academic and professional organizations and the vague, limited and non-measurable proposals for consumer stakeholder engagement is shocking to us. We respectfully request the IAIS revise the consumer stakeholder engagement proposal to include **at least** the same specificity and activities as set out for academic and professional organization engagement, as well as other proposals set out in our comments below.

(GFIA) The Global Federation of Insurance Associations (GFIA), through its 41 member associations, represents the interests of insurers and reinsurers in 60 countries. These companies account for approximately 87% of total insurance premiums worldwide.

When the IAIS made the decision in 2014 to discontinue observership status and close committee meetings and the annual conference to stakeholders, there was a legitimate concern from insurance associations that the quality of interaction between industry and supervisors would be materially worsened. In the meantime, we are happy to see the IAIS take a number of very positive measures which enhance stakeholder engagement and transparency.

GFIA would like to express its support for the measures recommended by the Stakeholder Engagement Task Force (SETF) and the further measures implemented by the IAIS as set out in I.J and I.K.

With regards to the IAIS' overall stakeholder procedure, GFIA would like to make the following points:

- To reduce the strain on stakeholders whose working language is not English, it would be appreciated if the IAIS would observe a consultation period of at least 60 days. This would make it possible for the IAIS to take on board more thorough input from non-English speaking jurisdictions. This would also enhance the quality of stakeholder input overall.
- Opportunities to provide informal input in advance of public consultations can allow stakeholders to give perspectives on the direction and approach of workstreams, rather than being presented with a final decision in the form of a consultation document. Being presented with only a final consultation document leaves stakeholders guessing at the process that was followed to reach the material in the consultation. For higher quality input, we would support an approach such as that taken by the IAIS earlier this year, where the IAIS Resolution WG invited informal input on work-in-progress draft papers on ICP12 and ComFrame Module 3 Element 3.

- We encourage distinct and transparent stakeholder opportunities for involvement in IAIS self-assessment and peer review process (SAPR) and ICP review processes.
- In the same way that the IAIS core curriculum is available for stakeholders, we would ask the IAIS to urge the Bank of International Settlements to make at least the insurance parts of their “FSI Connect” tool available to stakeholders. This would help enhance the understanding of how the global insurance standards are expected to be enforced in practice.
- The output generated by the IAIS online consultation tool is not user-friendly as it is not readable. Paragraphs, bullets, titles and other basic formatting is removed, which renders stakeholder input almost illegible. This causes many stakeholders to submit parallel comments via email in a format that is more reader-friendly. A review of this tool could help properly leverage the benefits that such IT tools offer. Another possible way forward would be to modify the tool to accept uploading of instructed comment templates.

GFIA stands ready to maintain and enhance the constructive relationship between the IAIS and GFIA’s respective members.

**Section I. and I.K. (last bullet)**

(PCI) PCI appreciates and strongly supports the general principles provided in Section I and especially the commitment to: “Holding numerous and more extensive consultations and stakeholder engagement meetings.” Extensive stakeholder and supervisory dialogue helps stakeholders better understand the concerns of supervisors and enables them to more effectively assist supervisory efforts. Stakeholder input will also help create final supervisory products that will be both effective and efficient and more likely to be implemented in local jurisdictions.

**I.A.**

(CEJ) Stakeholder engagement can be described as efforts undertaken by the IAIS to explain IAIS policy formulation and the decision making process and to ~~understand~~ and involve stakeholders in these activities and processes. It is about engaging with, understanding the needs of, and building and maintaining constructive relationships with stakeholders over time. Rationale: clearer description of purpose.

(AMICE) Stakeholder engagement is a vital element of policy formulation and development. External stakeholders can provide unique insights based on expertise and experience of how proposals would work in the real operational environment, as well as assessing their applicability to the different aims and models within the industry. With this in mind, we warmly welcome the IAIS’s stated aim of building and maintaining constructive relationships with stakeholders, and look forward to working increasingly with the IAIS to assist in policy formulation and decision making.

(GA) The Geneva Association and the International Association of Insurance Supervisors have a long history of cooperation and interaction on global insurance regulatory issues. A cooperation and dialogue that we and our members deeply appreciate and consider of significant mutual benefit to our industry and the IAIS. The Geneva Association very much looks forward to continuing its constructive dialogue and cooperation with the IAIS. Should questions arise or more clarification on points raised in the letter be needed, please do not hesitate to contact us

(ICMIF) Pursuant to the vote that took place in Amsterdam, our views were that a creative solution had to be found to engage the sector albeit under different terms to those previously. We thus very much welcome that the IAIS start by reaffirming the priority given to stakeholder engagement.



(AIA) AIA appreciates the opportunity to comment on the current state of stakeholder engagement and the IAIS's plans for further developing stakeholder engagement. We believe that stakeholder engagement serves several important functions, namely 1) increasing transparency in the IAIS's activities; 2) improving the quality of the IAIS's work through expert stakeholder input; and 3) increasing the legitimacy of IAIS standards during implementation phases in IAIS member jurisdictions.

I.B.

(ICMIF) We are very much in favour of this multi-pronged approach to engagement, as it increases the likelihood that a wider community of stakeholders is reached.

I.C.

(AMICE) In previous years, AMICE engaged with the IAIS as an observer member; however, we do believe that opening up the stakeholder connection to a wider community will benefit the final output from the IAIS, and therefore welcome this development. At the same time, it remains vital that expanding the reach of collaborators in such a way does not cause undue delays in developing policies.

I.D.

(AMICE) We welcome opportunities to respond to IAIS consultations where they are in the remit of AMICE.

I.E.

(IAA) The term "key partners" is introduced. Who is a key partner and what qualities must they exhibit? Other terms used in the document with which the IAA might identify include "professional organization" and "global body". It is unclear which of these terms apply to the IAA and the import of these terms on the nature of IAIS engagement with the IAA. Our core membership includes both "stakeholder" and "supervisor" individuals who work to provide objective solutions independent of the impact to any individual member.

(AMICE) We welcome the four strategies IAIS has identified in its 2015-2019 Strategic Plan and Financial Outlook. We do not have any visibility of the ways in which the IAIS intends to execute these strategies, as we do not have visibility of the Strategic Plan and Financial Outlook 2015-2019 (despite it being referenced as a footnote in this consultation paper). It is, therefore, impossible to provide reflections on the plan, process, partners or external communication. These are all both key and core to this stakeholder consultation, and we would be willing to engage in the definition, for example, of "key partners" to ensure that the sector which we represent, with around 400 million member/policyholders, is considered such.

(ICMIF) We would welcome some transparency in IAIS' processes to identifying key partners and would like to venture the concept of representativeness, which, in our understanding, is measured by the membership strength of an organisation.

I.F.

(AMICE) We welcome this development which we believe will provide the IAIS with enhanced insights into the impact and effectiveness of proposed policies.

(GA) When the IAIS put an end to the observer status, The Geneva Association had quite some reservations. We believe that the past tradition of allowing stakeholders to the IAIS committee meetings (as observers) provided for a better understanding of the logic and motivation behind regulatory initiatives and decisions, which not only improved stakeholders' understanding of regulatory issues and concerns, but also allowed for a more qualified discussion within and between industry and regulatory communities. This could significantly smoothen and improve public consultation processes and outcomes. Nonetheless, as much as we regret this decision,

we do appreciate the stakeholder engagement opportunities that have been put in place subsequently.
<b>I.G.</b>
(AMICE) With no insight into the detail of the strategic plan, it is difficult to propose ways of assisting the IAIS in identifying relevant stakeholders and interaction with the diverse groups of stakeholders. We would be willing to engage in more detail with the IAIS in these matters, bringing the mutual and cooperative insurance sector's expertise through its unique and embedded relationships with member-policyholders.
(ICMIF) Same question as above, more transparency regarding the process leading to the identification of relevant stakeholders would be useful.
(IAA) This paragraph makes reference to "how best to interact with divergent groups of stakeholders". The IAA is of the view that this is the fundamental issue for the SETF. Despite many good suggestions in the document, the IAA has found it difficult to understand what the document will mean for the IAA and its desire to better contribute to the IAIS on projects which involve core IAA expertise.
<b>I.H.</b>
(ICMIF) We applaud the IAIS's decision to engage more with global bodies as there is a need for more consistent thinking among all organisations tackling insurance-related issues.
<b>I.I.</b>
(AMICE) We welcome the commitment of the IAIS to develop stakeholder engagement by creating the SETF.
<b>I.J.</b>
(AMICE) We welcome the opportunities to better understand the rationale and direction of the IAIS, and for closer engagement presented by the decision to open up the annual conference and global seminar to stakeholders. We welcome increased stakeholder participation as panellists, and encourage the IAIS to include a range of diverse stakeholders as participants, so that the full dimensions of such topics are debated and understood.
(Lloyds) We positively welcome the IAIS Executive Committee's endorsement of the recommendations made by the Stakeholder Engagement Task Force (SETF) in this area. In particular, the decision to re-open the 2016 Annual General Meeting to stakeholder participation is in line with the feedback we provided to the ' <i>IAIS Draft Procedures on Meeting Participation and the Development of Supervisory and Supporting Material and Draft Policy for Consultation of Stakeholders</i> ' in December 2014. As a result, Lloyd's appreciated the opportunity to attend the last Annual General Meeting held in Asuncion, Paraguay (November, 2016). Building and maintaining good relationships with supervisors and industry peers is an important element of our job. We are confident that the changed approach will prove beneficial both to the industry and the IAIS members for the purpose of adding value and providing an industry perspective into policies and standards under development.
(GFIA) GFIA strongly supports the suggestions made and actions taken by the SETF, and commends the IAIS Executive Committee for implementing them.
<b>I.K.</b>
(AMICE) These are all welcome steps in enhancing interaction with stakeholders. We suggest that it is important to find methods of connecting with the broader stakeholder community to raise awareness of these opportunities presented by the IAIS to actively contribute to its work.
(IAA) This paragraph makes reference to "holding numerous and more extensive consultations and stakeholder engagement meetings". While laudable, will this initiative by itself require a

substantive and perhaps excessive use of IAIS resources? The IAA notes that the document contains little reference to the need to focus stakeholder engagement (e.g., by project, by prioritization, etc.).

The IAA suggests it would be preferable to adopt a different IAIS approach that incorporates a stakeholder engagement plan tailored to each IAIS project. In this way, the stakeholders needed for each project can be identified in advance and consulted on the best means of achieving project success. As a result, the IAIS project plan (project by project) can include a customized engagement plan from the outset.

The IAA suggests that the IAIS stakeholder engagement plan explicitly recognize the need for different levels of engagement from specific stakeholders (and other outside parties like the IAA) based on the specifics of each IAIS project. Using a medical analogy, when operating on a patient, the medical team requires specialists appropriate to the surgery being performed. All other interested medical staff are welcome to observe the operation from a separate room.

The IAA suggests that while there may be many IAIS projects for which IAA engagement should properly be at a “low level” there are other projects for which a “higher level” is needed for overall project success. Examples of such “higher level” engagement projects for the IAA include the valuation of technical provisions, solvency assessment, capital standards, actuarial function, risk management, resolution etc.

Some IAIS projects may require no “higher level” stakeholder engagement. However, others (e.g., ICS) may require one or more stakeholders to participate at a “higher level”. “Higher level” stakeholder engagement may be very important to a project as it affords IAIS decision makers close access to all the relevant expertise needed for project success. Such engagement would be very important for any technically challenging, large and or mission critical (to the IAIS) projects.

An IAIS invitation to a stakeholder to participate at a higher level should require quid pro quo obligations on the stakeholder (e.g., appropriate secondment (through dedicated but still part time IAA volunteers), confidentiality and/or other conditions as needed for the duration of the assignment) to avoid “favouring” one stakeholder over others.

If the IAIS were to consider such “focused” stakeholder engagement (FSE), the IAA suggests the following for practical implementation:

- Begin with a few large projects before expanding to others
- Once a project has been selected for possible FSE, ask all stakeholders for their interest and proposals for their “added value” to the project if selected for FSE.
- At its discretion, the IAIS may wish/need to proactively invite certain stakeholders to FSE due to obvious or pressing need. This would be in addition to the general invite described in the previous point.
- IAIS project team would make the final determination of the need for FSE and which stakeholders would be invited to participate and in which aspects of the project.

- IAIS project team and selected FSE participants would agree on appropriate quid pro quo conditions on VSE participation.
- All stakeholders would receive regular IAIS updates.

The IAA believes there the concept of FSE would enable the IAIS to make speedier and more effective use of the varied contributions of its stakeholders especially for IAIS mission critical projects. The IAA suggests that the approach we have outlined permits the IAIS project team to identify/recognize the need and abilities of possible FSE stakeholders at project initiation. Such an approach also protects against the possibility of “too many cooks in the kitchen” and from inappropriate breaches of confidentiality.

The IAA notes previous precedent for a somewhat similar approach used during the development of Solvency II by CEIOPS.

(ICMIF) We find that the current framework for the newsletters makes it an excellent and useful read.

#### II.B.1.

(ICMIF) We couldn't agree more but would, once again, welcome some clarification regarding the process of differentiating among stakeholders

(GDV) Unbiased involvement of all stakeholders as a general rule is an overarching principle of stakeholder involvement. Restricted access may be justified in exceptional cases, if properly and transparently explained to the stakeholder community. This principle should be incorporated in the commitments, policies and strategies instead of just being mentioned in the general approach to stakeholder engagement.

CEJ) The IAIS seeks engagement with all stakeholders and will not favour one group or type of stakeholder over another. should not show a preference among stakeholders. However, the IAIS recognizes that different efforts are needed to engage with different types of stakeholders because of different resources available to different stakeholders for participation in IAIS activities. there is a need for flexibility as some differentiation may be appropriate on a case-by-case basis with sufficient grounds in receiving stakeholder input into specific workstreams based on the relative benefit to the IAIS. Rationale: clearer description of intent not to favour one group of stakeholders over another and need for different approaches for different stakeholder groups. Current wording –“case-by-case basis” and “relative benefits to the IAIS” for “specific workstreams: -- seems vague and potentially arbitrary.

#### II.B.2.

(ICMIF) We couldn't find the Handbook and assume it is only available to members.

(PCI) While targeted stakeholder input may be sought in specific cases, it should not foreclose input from other stakeholders who have relevant interests and expertise and who might be impacted by the results. For example, seeking consumer input on a particular topic should not foreclose industry participation and input. And industry input should include representation of the interests of all types of companies, small as well as large.

(AIA) AIA appreciates the willingness of IAIS to include specific stakeholders on an ad hoc basis on specific work-streams based on that stakeholder's expertise. We believe that it is important that there be greater transparency regarding the participation of stakeholders in IAIS work-streams when that participation is occurring outside of open, public stakeholder events. That transparency will help maintain impartiality from the IAIS toward stakeholders.

#### II.B.3.

(AMICE) We are encouraged to see that the SETF has identified the academic community as a key stakeholder group. AMICE has established links with risk and insurance-related academics across Europe, and would be willing to assist in developing this area of stakeholder connections.

The mutual and cooperative insurance sector has a unique relationship with the consumer, insofar as the model ensures that policyholders are intrinsically connected to the ownership and/or governance, deriving benefits from the insurance carrier that are not available with different structures. Thus we believe that the associations representing the mutual and cooperative insurers are uniquely placed to assist the IAIS with engaging both with industry and the policyholder, and we would be happy to provide that insight to the IAIS as an engaged stakeholder.

We agree that a separate media relations plan is appropriate, though would encourage the IAIS to regard the media as a stakeholder which can assist in its work, particularly when considering both industry and policyholder/consumer areas.

(ICMIF) We believe this decision by the SETF is a wise one as professional groups representing the industry are more representative than one single market player, regardless his size. . With respect to consumers, we would like to stress that mutual and cooperative insurers have the particularity that they are owned and/or governed by their policy-holders/members. This means there is a greater alignment between the owners and the management of the company which leads to a good corporate culture, solid policies and procedures – the types of corporate culture and practices consistent with strong risk and financial management. We would be very grateful that this be taken into account by the SETF when it engages with the consumer community .Furthermore, with a presence in 75 countries, ICMIF could easily recommend some consumer organisations in jurisdictions where the IAIS hasn't identified any.

#### II.C.1.

(AMICE) We welcome the stated mission of the IAIS to operate in an open and transparent manner. To this end, and reflecting good practice in other similar organisations, we submit that the IAIS should consider establishing a stakeholder register which would indicate the interaction of stakeholders engaged with the IAIS, including general topics of engagement and types of interactions. While we note that there are situations in which discussions are confidential, the transparency provided by a register in terms of the community of stakeholders and their general areas of engagement with the IAIS in terms of consultations would fulfil this stated aim.

#### II.D.1.

(CEJ) An example of a goal is to ensure the work and work products of the IAIS are responsive to and meet the needs of stakeholders. The list of “goals and purposes” in this paragraph are not goals, but strategies for meeting the goal we set out in the first sentence. For example, seeking stakeholder input is a tool to achieve a broader goal of making IAIS work products relevant and responsive or to achieve broader IAIS goals of financial stability and inclusive insurance.

#### II.D.2.

(CEJ) This paragraph is very well-stated and consistent with our suggested comments for paragraph II.D.1.

(AMICE) Within the standardised framework for consultation, it would be of benefit to stakeholders engaged in consultations to have an opportunity to better understand decisions made by the IAIS on aspects of consultation, and further, where appropriate, have an opportunity to have a further engagement where there are differences in views. This gives stakeholders an opportunity to better explain their positions, which may be an extra consideration for those for whom English is not their first language. To this end, we propose that the IAIS add in an extra



step in the consultation process to enable this, which would comprise issuing a compiled response document with explanations of why the IAIS has made its decisions, and a timeframe in which stakeholders can respond to them. This will improve every stakeholder's understanding of the IAIS in general, and could lead to more efficient consultations over time.

(GA) On a separate note, The Geneva Association would welcome being better informed about the ICS Field Testing. If we are not fully informed about status, discussions, priorities and outcomes of the Field Testing, we are unable to engage in a more material and meaningful discussion with our members and the IAIS on the key open questions on the ICS. A process for informing the wider stakeholder groups about the status, major insights, open questions and outcomes of the Field Testing – while maintaining company specific data confidential of course – would therefore be very welcome.

#### II.E.

(PCI) Again, in the bullet on “targeted input”, it should be clear that this is “non-exclusive”. A bulleted subsection should be added as follows: “Ensuring policy decisions that are efficient and effective and are most likely to be implemented in local jurisdictions.”

(CEJ) The purpose of this paragraph is unclear. It appears to equate successful stakeholder engagement with completion of IAIS initiatives, which is incorrect. The purpose of stakeholder engagement is to ensure that the activities and work products of the IAIS are responsive to and meet the needs of stakeholders. The measurement of effective stakeholder engagement should be successful consumer protection, ample supply of insurance products and healthy insurance markets. The measurement of effective stakeholder engagement should not be enhancing the profile of the IAIS

#### II.F.

(CEJ) We suggest that the first bullet should be: Help ensure that IAIS products and processes are responsive to and meet the needs of all stakeholders.

#### II.F.1.

(ICMIF) We would just like to add that a good regulatory policy needs indeed to be consumer-centric and the financial crisis teaches us that market conduct is equally as important as prudential oversight.

#### III.A.

(AMICE) These are all constructive and welcome moves to enhance stakeholder engagement.

#### III.A.3.

(AIA) The IAIS newsletter has become an important source of information on the IAIS's activities and stakeholder engagement opportunities.

(GFIA) The IAIS newsletter has become an important source of information on the IAIS's activities and stakeholder engagement opportunities.

#### III.A.6.

(AIA) Executive Committee (ExCo) stakeholder dialogues are very welcome, but frequently we find that only a few members of ExCo engage with stakeholders during the dialogues. We would encourage greater participation from ExCo members. In addition, we encourage more than one ExCo dialogue to be held per year.

#### III.A.9.

(AM Best) Please clarify whether stakeholders may propose creation of a specific stakeholder group or whether this list is to be determined internally by the Executive Committee and Secretariat of the IAIS.

<b>III.A.11</b>
(AIA) We believe that it is important that there be greater transparency regarding the participation of stakeholders as "guests" in IAIS work-streams when that participation is occurring outside of open, public stakeholder events.
(GFIA) GFIA would welcome a higher level of transparency regarding the participation of stakeholders as "guests" in IAIS workstreams when that participation is occurring outside of open, public stakeholder events.
(PCI) PCI strongly endorses these points (11 & 13). We believe that periodically opening committee and subcommittee meetings to stakeholders (at least once every 12 months for example) and allowing input prior to final draft documents before formal consultation will greatly improve the work of IAIS.
<b>III.A.12.</b>
(AM Best) Regarding the Interested Stakeholder List, please clarify how the stakeholders will be identified.
(AIA) "Interested Stakeholder" email lists have worked well as a tool for disseminating information.
(GFIA) "Interested Stakeholder" email lists have worked well as a tool for disseminating information.
<b>III.A.13.</b>
(AIA) Stakeholder sessions should be held in conjunction not only with scheduled committee or subcommittee meetings, but also with industry gatherings such as GFIA meetings.
(PCI) PCI strongly endorses these points (11 & 13). We believe that periodically opening committee and subcommittee meetings to stakeholders (at least once every 12 months for example) and allowing input prior to final draft documents before formal consultation will greatly improve the work of IAIS.
<b>III.B.</b>
(IIF) The IIF commends the IAIS and the SETF for its focus in this section on three areas – general practices, increasing consumer input, and finding ways to most effectively engage with academics and professional organizations. As an association representing a number of stakeholders – including not only insurers but other interested parties in the financial sector as well – we urge you also to maximize your engagement with industry associations, to leverage the collaboration and coordinated positions and feedback able to be produced by our groups.
<b>III.B.(1)</b>
(PCI) PCI supports these provisions, especially subsections (a) 2. and 5., if these provisions mean more opportunities for face-to-face discussions with the committees and subcommittees.
(CEJ) We agree with and support these provisions: [III.B.(1)(a)1-8 and 10]
<b>III.B.(1)(a)1.</b>
(AIA) AIA appreciates the re-opening of the Annual Conference to stakeholders and the ongoing participation of stakeholders in the Global Seminar. These events are important opportunities for stakeholder input and increase transparency. We encourage IAIS to ensure that industry stakeholder participation on panels is diverse and varied, and that different organizations are represented on successive panels. Related, we encourage IAIS to seek consumer representatives from geographically diverse backgrounds. Finally, we believe that social events connected with the Annual Conference should be open to stakeholders.

(GFIA) GFIA supports the inclusion of a wide range of stakeholders, and consumers are important stakeholders in the development of international standards. With this in mind, it should be a priority for the IAIS to identifying ways to expand consumer participation, ensuring geographical diversity. There should also be a focus on seeking consumer perspectives that are grounded in market studies or other research methods. Ensuring there is a wide range of perspectives will increase the reliability of such consumer perspectives. Finally, we believe that social events connected with the Annual Conference should be open to stakeholders.

(ICMIF) As alluded to before, we would be very happy to provide the IAIS with the consumer organisations known to our members in 75 jurisdictions but recognise the challenge for most of them of physically attending global meetings

(IAA) This paragraph states that the IAIS wants to “broaden participation by, and increase access for, consumer representatives.” Is this to educate them or be informed by them? If the former, the IAA believes there is a need (in some cases) to fill that role of education outside of meeting venues and more directly to project teams.

(GA) When the IAIS put an end to the observer status, The Geneva Association had quite some reservations. We believe that the past tradition of allowing stakeholders to the IAIS committee meetings (as observers) provided for a better understanding of the logic and motivation behind regulatory initiatives and decisions, which not only improved stakeholders’ understanding of regulatory issues and concerns, but also allowed for a more qualified discussion within and between industry and regulatory communities. This could significantly smoothen and improve public consultation processes and outcomes. Nonetheless, as much as we regret this decision, we do appreciate the stakeholder engagement opportunities that have been put in place subsequently.

(NAMIC) Several unique groups are affected by IAIS actions, and this consultation includes providing special access to consumer groups and academics. These groups may be important for specific outreach, but NAMIC would assert that small companies are another unique group worthy of special access and outreach. Small mutual companies have unique needs that are like those of consumers in several ways:

- Like consumers, small companies do not have the resources to attend IAIS meetings or even to follow activities of the IAIS to represent themselves; they rely on their trade associations to inform them of IAIS activities and comment on their behalf;
- Like consumers, there are many more small companies than large companies that are impacted by ICPs and IAIS activities, and, in aggregate, they represent a very significant segment of the insurance industry;
- Small mutual companies’ interests align with those of their policyholders since they are essentially owned by their policyholders;
- Small companies do not have economies of scale as large, multinational companies do to absorb the cost of regulation so compliance with regulation can result in very significant costs as a percent of overall expenses;
- The risks, concerns, and strategies of small companies are very different from those of large insurance groups; for this reason, the IAIS would benefit from a specific focus on the issues from the small company perspective before finalizing regulatory decisions; and

- The repercussions of new regulatory initiatives for small companies (and their policyholders) can include insolvency or dissolution and abandonment of the coverage for the niche of the market they serve.

Additionally, while NAMIC can speak on behalf of small companies, there are not as many trade associations that represent their concerns at the IAIS, and the impacts on very large companies seem to be the focus of most stakeholder discussions. Also, IAIS has removed the proportionality language from individual ICPs that was originally used to justify different rules for smaller institutions. IAIS now focuses more on proportionality as a tool for adding levels of regulation as companies increase in size instead of reducing it as companies decrease in size. By adding small companies as a special interest group the IAIS will be able to take the time to consider that small company needs may be different, and that the burdens of the ICPs could create a disproportionate burden that may well result in their insolvency or dissolution. In the U.S., we have a process in all 50 states requiring regulators to consider whether new regulation could create an undue burden for small companies. These are called Regulatory Flexibility Acts. These acts require specific regulatory attention to disproportionate burdens on small businesses and the creation of legal/regulatory alternatives for small businesses when options are available. This is the type of attention that we seek. No ICP should put well-managed, small companies out of business.

NAMIC proposes the following revision to the section set forth below:

Commitments, Policies, and Strategies of General Applicability –

Level I Initiatives

(a) LEVEL ONE INITIATIVES

**1. Continue to expand stakeholder participation in the IAIS Global Seminar and Annual Conference programmes. In particular, explore ways to broaden participation by, and increase access for, consumer representatives and small companies through their trade associations.**

There is a need to find proactive ways to engage with consumers and small companies. However, there are two key challenges in expanding ~~consumer~~their participation: 1) finding individuals and groups representative of the global consumer perspective and/or those representative of different regions; and 2) the lack of the financial resources for many consumer representatives and small companies to physically attend global forums [See Recommendations (4) and (5) for recommendations that could positively impact access by consumer and small company representatives.]

### III.B.(1)(a)2.

(IAA) The heading for this section refers to initiatives of greater relevance to emerging insurance markets yet the list of items in the following text fails to make note of “financial inclusion”.

(AIA) AIA agrees with IAIS that subject matter hearings and dialogues should include a broader range of IAIS initiatives and topics. The three topics mentioned in the consultation document (cyber risk, FinTech, and reinsurance) are all important topics, and we particularly urge IAIS to examine the prudential concerns created by restrictions on cross-border reinsurance. When considering which topics to include in expanded subject matter hearings, we believe it will be important for IAIS to solicit stakeholders’ concerns and views on emerging prudential issues.

(GFIA) GFIA welcomes this new engagement, and share the view that the topics of cyber risk, FinTech, and reinsurance will be important topics to address going forward. Supervisory awareness of beneficial approaches to reinsurance is crucial, given that there are a number of markets where obstacles against a well-functioning reinsurance industry remain or have been

introduced. When considering which topics to include in expanded subject matter hearings, we believe it will be important for IAIS to solicit stakeholders' concerns and views on emerging topics.

(AMICE) We agree that the IAIS needs to focus on the changing dynamics of the risk environment, drawing on the insights from a wide stakeholder community, and tailored to the nature and region. The risk world is evolving very quickly, and the inclusion of suggested topics from stakeholders who are at the forefront of observing and responding to these changes should be sought.

(ICMIF) Expanding the range of subjects considered to be relevant to be addressed by the IAIS would undoubtedly help improving the knowledge of the association's raison d'être by a greater number of actors across the world

(IIF) Amend: "Expand the range and frequency of subject matter hearings..." In the discussion, it's worth noting that the focus on ComFrame has not been comprehensive, and urge including the following in "future dialogue opportunities" – qualitative elements of ComFrame, including governance, internal controls and enterprise risk management; supervisory cooperation and colleges; and macroprudential policy and surveillance.

(IIF) Regarding additional attention to issues of interest to emerging markets, these often are – and should be – focused more on practical and proportional application of international standards and good practices, and therefore are of primary interest to a different subset of SHs. Therefore, we encourage you to consider separate hearings/dialogues, making sure not to conflict with discussions of draft ComFrame and G-SII measures. For example, consider scheduling a separate stakeholder event or, in the context of the Global Seminar or Annual Conference, adding ½ day to address these issues.

(Swiss Re) Swiss Re supports efforts of the IAIS to provide education about reinsurance to supervisory authorities in emerging markets. We seek to support the IAIS in these initiatives wherever feasible.

(IIF) We strongly support subject matter stakeholder meetings, but would encourage that these be held with much greater frequency; according to a clear schedule. (E.g., "meeting matrix" referenced in (5) below.) (Ed. Note: III.B.(1)(a)2. (corrected from 3. to 2.)

(GA) When the IAIS put an end to the observer status, The Geneva Association had quite some reservations. We believe that the past tradition of allowing stakeholders to the IAIS committee meetings (as observers) provided for a better understanding of the logic and motivation behind regulatory initiatives and decisions, which not only improved stakeholders' understanding of regulatory issues and concerns, but also allowed for a more qualified discussion within and between industry and regulatory communities. This could significantly smoothen and improve public consultation processes and outcomes. Nonetheless, as much as we regret this decision, we do appreciate the stakeholder engagement opportunities that have been put in place subsequently.

(NAMIC) A number of unique groups are affected by IAIS actions, and this consultation includes providing special access to consumer groups and academics. These groups may be important for specific outreach, but NAMIC would assert that small companies are another unique group worthy of special access and outreach. Small mutual companies have unique needs that are similar to those of consumers in several ways:

- Like consumers, small companies do not have the resources to attend IAIS meetings or even to follow activities of the IAIS to represent themselves; they rely on their trade associations to inform them of IAIS activities and comment on their behalf;
- Like consumers, there are many more small companies than large companies that are impacted by ICPs and IAIS activities, and, in aggregate, they represent a very significant segment of the insurance industry;



- Small mutual companies' interests align with those of their policyholders since they are essentially owned by their policyholders;
- Small companies do not have economies of scale as large, multinational companies do to absorb the cost of regulation so compliance with regulation can result in very significant costs as a percent of overall expenses;
- The risks, concerns, and strategies of small companies are very different from those of large insurance groups; for this reason, the IAIS would benefit from a specific focus on the issues from the small company perspective before finalizing regulatory decisions; and
- The repercussions of new regulatory initiatives for small companies (and their policyholders) can include insolvency or dissolution and abandonment of the coverage for the niche of the market they serve.

Additionally, while NAMIC can speak on behalf of small companies, there are not as many trade associations that represent their concerns at the IAIS, and the impacts on very large companies seem to be the focus of most stakeholder discussions. Also, IAIS has removed the proportionality language from individual ICPs that was originally used to justify different rules for smaller institutions. IAIS now focuses more on proportionality as a tool for adding levels of regulation as companies increase in size instead of reducing it as companies decrease in size.

By adding small companies as a special interest group the IAIS will be able to take the time to consider that small company needs may be different, and that the burdens of the ICPs could create a disproportionate burden that may well result in their insolvency or dissolution. In the U.S., we have a process in all 50 states requiring regulators to consider whether new regulation could create an undue burden for small companies. These are called Regulatory Flexibility Acts. These acts require specific regulatory attention to disproportionate burdens on small businesses and the creation of legal/regulatory alternatives for small businesses when options are available. This is the type of attention that we seek. No ICP should put well-managed, small companies out of business.

NAMIC proposes the following revision to the section set forth below:  
Commitments, Policies, and Strategies of General Applicability – Level I Initiatives

### LEVEL ONE INITIATIVES

**2. Expand the range of subject matter hearings and dialogues to include a broader range of IAIS initiatives. Explore additional opportunities for subject matter hearings and dialogues on initiatives of greater relevance (such as the Insurance Core Principles) to emerging insurance markets.**

While the IAIS is holding subject matter hearings and dialogues on a broad set of initiatives, ComFrame, the ICS and G-SII matters have dominated stakeholder engagement agendas. Examples of initiatives where future dialogue opportunities exist include matters such as cyber risk, FinTech, and reinsurance. The IAIS will need to balance the interest in developed and emerging markets to tailor topics to the nature of the market, the need for financial inclusion of mutual, cooperative and community organization insurers and/or the region concerned.

#### III.B.(1)(a)3.

(GFIA) GFIA appreciates periodic progress reports and regular updates provided by the IAIS. In order for stakeholders to provide high-quality input, it is essential that stakeholders have access

to the meeting materials and minutes so that they can recognize how things were argued in the process.

III.B.(1)(a)4.

(AMICE) Dial-in opportunities are particularly important for smaller stakeholders with limited resources. However, the suggestion of charging for such access could deter the very stakeholders for which these facilities could provide engagement. Therefore, we propose that the IAIS considers cloud-based or other types of solutions which would not carry a heavy cost burden. This also applies to the use of webcasts and recordings of stakeholder events. There are now multiple technology solutions available which are cost-effective and efficient ways of fulfilling these proposals.

(NAMIC) NAMIC supports the extension of the recording of all stakeholder events. We would like to see the IAIS recording and publication of recording also extend to any event that included one or more stakeholders in the meeting. This would provide all stakeholders equal access to the content of the information other stakeholders share with the IAIS.

(Swiss Re) We urge the IAIS to expand the availability of dial-in access and recording capability.

(AIA) Dial-in access to stakeholder events and webinars is very helpful for increasing stakeholder access. Greater use of technology will expand the number of stakeholders that can participate in IAIS events and reduce costs of participation for stakeholders. Likewise, we agree that it would be good to post recordings of those events on the website when live access is not possible.

(GFIA) GFIA strongly supports the proposed development of increased dial-in access and archived content on the IAIS website shortly after the event. GFIA would also urge such dial-in access to be by video by default, and audio at a minimum. Over time we suggest a level of transparency similar to the IASB, which means:

- Live streaming (at least audio but possibly video) of all public stakeholder events
- Archived recordings made available shortly after the live event, including downloadable audio

(Lloyds) We believe that the introduction of stakeholder events has had a beneficial impact on the ability of the insurance industry to assist the IAIS in the development of supervisory material. It is certainly a valuable forum of discussion where we can communicate our concerns, provide technical input to the IAIS and expand our knowledge through discussion with other industry participants and experts. Industry active participants have a wealth of technical insurance knowledge and expertise which can positively contribute to the IAIS process of drafting policy measures and standards. Therefore we encourage the IAIS to continue to expand its general commitment to hold sessions for direct contact between IAIS members and stakeholders.

We understand that it may prove difficult to commit to a timeline for the publication of the relevant material (i.e. agenda, background papers, etc.) in advance of a stakeholder event, however we would appreciate it if the IAIS could distribute such documents at least a week prior to the event to allow participants sufficient time to digest the content. This way, it would be easier for industry participants to interact and make constructive comments during the event.

III.B.(1)(a)5.

(AIA) Stakeholder sessions should be held in conjunction not only with scheduled committee or subcommittee meetings, but also with industry events such as GFIA meetings.

(AMICE) The proposal for multiple stakeholder sessions in a single location is welcome as it could realistically increase the opportunity for stakeholders to participate in person.

(IIF) Include the commitment of IAIS members to participate actively in the “other key non-IAIS events” referenced here.
(AM Best) AM Best is encouraged by the recognition by the IAIS that more complete and effective input can be gathered from stakeholders when creating efficiencies by holding the meetings in convenient locations with advantageous timing.
<b>III.B.(1)(a)7.</b>
(AIA) We encourage IAIS to provide agendas and other materials for stakeholder-involved events as much in advance as possible. The more time that stakeholders have to review IAIS documents before events the more substantive our participation will be.
(GDV) Both the IAIS and stakeholders will greatly benefit from a more stringent preparation of stakeholder meetings. The advanced publication of supporting material enables stakeholders to develop positions and well informed views on issues of mutual interest. Therefore, the IAIS could attribute more time to stakeholder contributions and respond to questions instead of dedicating considerable time to explain the status quo of projects during a meeting.
(NAMIC) The consultation draft only includes a 7-day advance requirement for posting stakeholder meeting materials. If agendas, meeting documents for discussion, and, if possible, PowerPoints, were posted earlier than 7 days before the meetings this would promote more effective, meaningful communication with stakeholders. If the Plan included 30-day advance notice as a goal for stakeholder meetings, and a 7-day absolute minimum, it would encourage earlier distribution by the committees. Not only would this provide additional time for the stakeholders to review and understand the materials for discussion, it would also give the committee members more time to prepare for stakeholder events. Seven days is a very short time for such complicated discussions.
<b>III.B.(1)(a)8.</b>
(AIA) Having access to a master schedule of IAIS project timelines and major work-streams would be helpful.
(GFIA) GFIA strongly supports the idea of the 12-month master schedule of project timelines.
(AMICE) The proposal to publish a twelve-month master schedule of project timelines is welcome, and enables stakeholders to plan their own internal workstreams to complement IAIS activities and plans.
(IIF) We strongly encourage publication of a summary of the IAIS Roadmap to help SHs manage and plan their contributions.
(GA) Your draft Stakeholder Engagement Plan includes the notion of an internal “IAIS Project Roadmap” as a comprehensive collection of projects with project timeframes. It would help our internal planning if the published calendar that comes out of this roadmap were more detailed and could also include an overview of public consultations, even when tentative, in the planning for the year to come. This would be helpful for our internal planning.
(Swiss Re) We strongly encourage the proposal to publish a master schedule of project timelines for major IAIS work streams. It would be especially helpful if this master schedule included all planned consultations. We realize that the schedule for consultations is subject to change, nonetheless it would be helpful for us to plan and ensure availability of resources.
<b>III.B.(1)(a)9.</b>
(CEJ). It is important that stakeholder meetings be substantive – meaning that the stakeholder session is intended to obtain actionable or potentially actionable information from stakeholders. The IAIS should avoid non-substantive stakeholder sessions simply to increase the count of stakeholder sessions. An example of a non-substantive session is a background session simply

to report on an IAIS decision regarding a work stream after the IAIS has decided on that work stream. A substantive session would be to seek stakeholder input on a proposed work stream prior to the decision regarding that work stream. Another example of a non-substantive session is a call to report on decisions made regarding stakeholder comments from a consultation when the purpose of the call is largely to read from the document summarizing stakeholder comments and IAIS decision/resolution regarding that comment.

(NAMIC) The change of the focus proposed from one of “receiving” stakeholder feedback to one of “seeking” such feedback is a positive change. We would suggest that the Plan go further to also provide the committees will consider such feedback. Just seeking or receiving feedback implies little about what action the IAIS will take. Including a commitment including “seeking and considering” is a stronger message about the importance of stakeholder feedback. NAMIC proposes the following revision to the section set forth below:

Commitments, Policies, and Strategies of General Applicability – Level I Initiatives

**9. Revise the stated purposes of the public background sessions and post-consultation discussion of comments and resolution to be more proactive by “seeking and considering” stakeholder feedback rather than simply “receiving” it.**

III.B.(1)(a)10.

(IIF) Regarding the website, in light of the common use of tablets (esp. iPads) we urge you to revise your process for downloading documents to make this as efficient as possible for these formats.

III.B.(1)(b)1.

(Lloyds) The main information channel through which the IAIS keeps stakeholders informed is certainly its website. We acknowledge that the IAIS website has been subject to gradual improvements since the last consultation on stakeholder engagement (December 2014). However, we fully support the initiative of refurbishing the website over the long term to further improve and ease the search of documents and information. [III.B.(1)(b)1. (corrected from (b)2.)]

III.B.(1)(b)2.

(IIF) As for consumers, the increased use of webinars with all SHs should be a Level 1 reform. The technology is widespread; the IAIS has used this successfully in the past; and there should be minimal costs and resources required, especially where materials prepared for Member meetings can be adapted easily for use in interactions with SHs.

(CEJ) This item is very important – periodically host webinars to discuss IAIS projects and activities with stakeholders – particularly for areas which are not already the intense focus of stakeholder engagement.

(AMICE) We have found webinars to be a particularly successful medium of engaging with our members simultaneously across multiple territories and therefore would encourage the IAIS to actively consider this at its earliest convenience.

III.B.(2)

(PCI) PCI does not oppose these provisions if they also provide for industry participation when consumer representatives are included and there is proof that the consumer representatives actually represent large numbers of consumers.

(NAMIC) As stated in NAMIC’s general remarks and in other sections above, we believe that small companies and consumers share similar characteristics that would support special/targeted access to committee discussions. The revisions to the Plan proposed below help to implement those changes.

Commitments, Policies, and Strategies Specific to Consumers and Small Companies -- General

III.B.(2)(a)1.

(NAMIC) As stated in NAMIC’s general remarks and in other sections above, we believe that small companies and consumers share similar characteristics that would support special/targeted access to committee discussions. The revisions to the Plan proposed below help to implement those changes.

**(a) LEVEL ONE INITIATIVES**

**1. Identify specific areas for consumer and small company input at committee and subcommittee (ie working group) levels.**

IAIS committees and subcommittees should be vigilant in identifying specific areas where consumer and small company feedback would be useful and explore ways to obtain this input.

III.B.(2)(a)2.

(AMICE) AMICE’s involvement with consumers reaches across many of its activities, including direct member and social economy initiatives. We would be willing to share our experience with the IAIS to enhance its targeted consumer input where we can.

(GFIA) Here GFIA would like to reiterate its points on the balanced nature of consumer input, and the need for a range of consumer perspectives. Geographical diversity should be fostered. No single consumer representative should be presumed to speak for all consumers. When identifying specific areas for consumer input it could be useful to distinguish between personal and commercial lines of business; perhaps even defining the two types of consumers/interests separately.

(GDV) We are supportive of receiving qualified input of consumer representatives. However, the explanatory text suggests that members are encouraged to reach out to organizations or persons in their jurisdictions. This raises concerns in terms of transparency. If input is solicited and taken into account, it should be noted to the stakeholder community to preserve the opportunity to respond or provide a different perspective, if necessary.

(NAMIC) As stated in NAMIC’s general remarks and in other sections above, we believe that small companies and consumers share similar characteristics that would support special/targeted access to committee discussions. The revisions to the Plan proposed below help to implement those changes.

Commitments, Policies, and Strategies of Specific to Consumers and Small Companies – Level I Initiatives

**2. Establish a strategy for identifying consumer representatives in areas relevant to IAIS initiatives in order to seek targeted consumer and small company input.**

Supervisors involved in a relevant workstream should be encouraged to reach out to consumer groups and trade associations representing small companies within their jurisdiction with a demonstrated interest in the subject matter.

III.B.(2)(b)

(CEJ) The level 2 consumer stakeholder engagement initiatives are vague and non-substantive. These four items are actually level one initiatives since they either involve little or no cost or will otherwise occur through normal technology improvements. Improving website readability or live-streaming IAIS events are neither focused on consumer stakeholder engagement nor items involving significant additional resources. Similarly, improving remote participation and considering holding a consumer stakeholder session at an existing IAIS are neither remarkable nor costly. As noted in the prior comment, fundamental and essential **level one** commitments are the creation of a formal consumer stakeholder advisory group and formal involvement of consumer stakeholders in IAIS public events, including but not limited to the Global Seminar and Annual Conference.



The proposed draft initiatives regarding consumer stakeholder engagement – even if fully implemented – will not increase consumer stakeholder engagement. The proposed draft should include much stronger consumer stakeholder engagement initiatives.

1. IAIS events devoted to consumer stakeholder issues and concerns.
2. IAIS work stream to identify and implement best practices for consumer stakeholder engagement by member jurisdictions.
3. Develop a funding source for consumer stakeholder participation in IAIS activities – funding to reimburse travel expenses – by charging non-consumer stakeholders either an annual consumer stakeholder participation fee or adding a consumer stakeholder fee to the registration fees paid by non-consumer stakeholders to IAIS events. CEJ has written to the IAIS about the need for financial assistance to consumer stakeholders and the rationale for such assistance. Industry stakeholders utilize consumer-supplied funds – from premiums and fees charged policyholders – to support industry lobbying and government relations work. Consumers have no similar source of centralizing funding to represent the consumer interest. Consequently, it is reasonable and necessary for financial assistance to consumer stakeholders and for industry to be part of such financial assistance.

The weakness of the consumer stakeholder engagement provisions in the draft proposal is even more vivid when compared with the proposals for engagement with academics and professional organizations. These proposals in paragraph B(3) include a host of activities which could be used – but are not proposed – for consumer stakeholder engagement.

The **level one** initiatives for professional organization and academic stakeholders include establishing a financing mechanism for these groups through a foundation affiliated with the IAIS and identifying areas where the input of these stakeholders would be helpful to the IAIS. First, the proposed draft makes no mention of the likely conflict of interest for academic and professional organization stakeholders resulting from these individuals receiving funding from industry for research or through employment. Second, these proposed initiatives could and should be included in the consumer stakeholder section. The IAIS could and should establish a foundation for insurance consumer stakeholder engagement as well as identifying areas for consumer stakeholder input.

Similarly, the proposals for forums and special events for academic and professional organization stakeholders could and should be included in the consumer stakeholder engagement plan. The IAIS public events should include a distinctly consumer component and the IAIS should be more of a presence at consumer organization meetings and events.

The contrast between the extensive, detailed and measurable proposals for academic and professional organizations and the vague, limited and non-measurable proposals for consumer stakeholder engagement is shocking to us.

### III.B.(2)(b)3.

(Swiss Re) We encourage the IAIS to use web-based virtual technology to enable remote participation not only by consumer representatives, but also by industry representatives.

(NAMIC) As stated in NAMIC's general remarks and in other sections above, we believe that small companies and consumers share similar characteristics that would support special/targeted

access to committee discussions. The revisions to the Plan proposed below help to implement those changes.

Commitments, Policies, and Strategies of Specific to Consumers and Small Companies – Level I Initiatives

**3. Use web-based (virtual) technology to enable remote participation** by consumer representatives and small companies in the IAIS Global Seminar and Annual Conference panels.

#### III.B.(2)(b)4.

(Swiss Re) Should the IAIS indeed hold specific stakeholder sessions with consumer representatives, we would encourage the IAIS to make available to industry a summary of the session and the key points discussed.

(NAMIC) As stated in NAMIC's general remarks and in other sections above, we believe that small companies and consumers share similar characteristics that would support special/targeted access to committee discussions. The revisions to the Plan proposed below help to implement those changes.

Commitments, Policies, and Strategies of Specific to Consumers and Small Companies – Level II Initiatives

**4. Hold stakeholder sessions with consumer representatives and small company representatives.**

The IAIS could consider holding a stakeholder session with consumer representatives and small company representatives, such as during the Annual Conference or Global Seminar or via a webinar.

#### III.B.(3)

(PCI) PCI questions the need and value of these initiatives, if they take resources away from IAIS' core missions or create forums where academics are present but not the industry that is composed of the stakeholders most impacted by what IAIS does.

(IIF) We would suggest including "actuarial issues" as an area for "improved technical knowledge" and question the inclusion of financial stability and reinsurance as examples of "key" areas benefiting in particular from greater engagement between the IAIS and academics and professional organizations.

(IAA) This portion of the document is focused on academics, professionals and professional organizations (of which the IAA is a professional organization) yet the IAA finds it difficult to understand how its relationship with the IAIS would change. Given the mission critical projects being addressed currently by the IAIS (e.g. ICS, the ICP's and Comframe) the IAA hopes that the practical approach proposed in our 3<sup>rd</sup> comment (above) will be of immediate assistance.

These pages in the document seem to indicate that enhanced engagement should come at an individual level from the proposed increases in engagement with researchers and academics. However, the section that supposedly deals with this has material omissions in items B 2, 3, 4 (mainly on page 13) where professionals or professional bodies are mentioned only once, and even then, rather briefly. These pages could be interpreted as stating a preference for professionals as individuals over engagement with professional organizations (such as the IAA). The IAA (which represents the global actuarial profession) believes that this was not likely the intent of the IAIS in drafting this part of the document and that suitable changes to highlight the role of professional organizations, such as the IAA, would be helpful.

The unique combination within the actuarial profession of technical and regulatory understanding of and for industry application is a key value-add, yet this is not mentioned in these pages or

elsewhere in the document whether for professional actuarial bodies or individual actuaries as professionals.

(IAA) This paragraph states “Both the IAIS and academics and professionals can benefit from ..... understanding of the issues facing the international financial system; and improved technical knowledge in key areas such as financial stability, reinsurance, and accounting”. The IAA supports this statement except for the listing of key areas which we suggest to be modified to refer (instead) to, “financial stability, financial condition, financial position, valuation, risk management etc.”

(ICMIF) We regard this project as very useful. We should like to mention, for information purposes, that in 2015 ICMIF resorted to setting up a foundation to undertake the *5-5-5 Mutual Microinsurance Strategy* with the aim of developing mutual microinsurance..For the same reasons evoked earlier on regarding our presence in 75 countries globally, ICMIF could easily collaborate in setting up an inventory of academics specialised in insurance.

### III.B (3)(a) & (b)

(AM Best) As the global credit rating agency with a singular focus on insurance, AM Best is maintains a keen interest in the global insurance industry and the ongoing initiatives by the IAIS and their impact on that industry. AM Best also shares the objective of policyholder protection and therefore has, to some extent, aligned interests with the IAIS. Therefore, AM Best is keen to maintain its status as a resource as a provider of technical assistance alongside academics and professional organizations. AM Best monitors the health of insurance markets and we believe our insights on the industry can offer relevant information and services for the Level One and Level Two Initiatives.

### III.B.(3)(a)1.(i)

(AMICE) We support the proposal to establish a foundation for research-related collaboration, and would encourage the IAIS to connect with the academic community in initiatives to support this aim, including involvement at committee level, joint research projects, secondments, etc.

(IIF) We question the need for the IAIS to establish a foundation for research collaboration unless and until it is clear that this is the most effective platform for collaboration with MED. In this regard, the IAIS should elevate the joint projects referenced in B(3)(b)(1)(i) to a Level 1 initiative, drawing on past successful such collaborations.

### III.B.(3)(a)2.(ii)

(IIF) Following from our Comment 6 (above), we urge inclusion here of the commitment of the IAIS – Members and Secretariat – to participate actively in relevant industry forums and events, as well.

### III.B(3)(b)1.i.

(AMICE) We support the proposed initiative to research specific topics of interest with the MED of the BIS, bearing in mind that different parts of the financial services industry have different risk profiles and structures. Any joint research should reflect these differences, as well as identifying cross-sectoral consistencies.

### III.B.(3)(b)3.

(GA) Under point three of the level II initiatives mentioned in the draft Stakeholder Engagement Plan, we note that the IAIS is engaged in informal academic and/or professional organisation roundtables or conferences on specific IAIS initiatives on an ad hoc basis. Under this point it is also mentioned that the IAIS should explore any available partnership opportunities with other appropriate events and organisations. We appreciate the intention of the IAIS to engage with the academic world on particular topics, however, the balance between industry and academic input can be a delicate one. The stage at which academic input can most valuably contribute to the

development of concepts, standards and consultation documents should be carefully considered. Also, one should carefully monitor that the academics involved have a deep understanding of the insurance business model. Some of the recent academic discussions on, for example, systemic risk in insurance, underline this necessity.

(AM Best) The AM Best's ratings process has led to the creation of analytical data tools, international capital models, various accounting standard reconciliation, insurer country risk considerations, analytical training and more. AM Best has in the past hosted and participated in seminars for insurance regulators with the goal of improving the capacity of emerging markets regulation. We are happy to contribute to forums and special events.

(NAMIC) As stated in NAMIC's general remarks and in other sections above, we believe that small companies, consumers, and academics share similar characteristics that would support special/targeted access to committee discussions. Regarding forums and special events the important issue is to provide access to all and consideration of papers submitted by all, including those from insurance organizations. The revisions to the Plan proposed below help to implement those changes.

Commitments, Policies, and Strategies of Specific to Academics and Professional Organizations  
– Level I Initiatives

### 3. Forums and Special Events

**i. Convene informal, open academic and/or professional organisation roundtables or conferences on specific IAIS initiatives on an ad hoc basis. The IAIS should explore any available partnership opportunities with other appropriate events and organisations including insurance organizations. All such events should be open to all stakeholders.**

#### III.B.(3)(b)4.

(NAMIC) The advisory networks proposed will be most effective if they provide a balanced view of the issues. Academics may or may not have a practical perspective on regulatory approaches that will actually achieve the goals the IAIS wants to achieve. Without a balanced view the IAIS may not understand the myriad of concerns that can arise in practice. For this reason, we recommend that all stakeholders have the opportunity to share academic papers and refer the IAIS to academics with opposing views. The revisions to the Plan proposed below help to implement those changes.

Commitments, Policies, and Strategies of Specific to Academics and Professional Organizations  
– Level II Initiatives

### 4. Advisory Networks and Relationship Building

**i. Consider creating a formal or ad hoc network of academic (and/or professional) research advisors over a longer term to promote research and policymaking collaboration.**

**ii. Establish a strategy for identifying academic community/professional organisations, through consultations with stakeholders, in areas relevant to IAIS initiatives in order to proactively seek targeted academic/professional group input into the development of IAIS material.**

This proposal includes proactive and targeted outreach to the academic community and professional organisations to respond to and provide feedback for IAIS consultations. However, as a first step, the IAIS must identify these organisations through stakeholder consultations. Once relationships have been cultivated, a call for inputs specifically directed at academics/professionals on specific issues could be introduced when soliciting public comments.

Other

(GA) Another issue we would like to bring up is the time provided to respond to the public consultations. We would like to ask the IAIS to consider the complexity and size of public consultation documents when setting the Public response dates in the future, as far as the IAIS deadlines allow for it, of course. And, we explicitly want to mention that we - and our members - very much appreciated the three month response time for the latest ICS consultation.

(PCI) PCI urges the IAIS to consider including a provision allowing for a reasonable period of time for legislative and other stakeholder input after consultation and prior to final approval of any document.

#### Overall

(IAA) In summary, the IAA fully supports this initiative of the IAIS to further develop a plan for stakeholder engagement as it will contribute to the success of the IAIS in fulfilling its mission. While there may be several IAIS projects/topics on which the IAA may have limited input (e.g., perhaps supervisory authority, conduct etc.), engagement between the IAA and IAIS has been strongest (and should be) on financial condition, financial position, valuation, risk management, resolution etc. related topics (e.g., ORSA, ICP 14 on valuation, ICS etc.).

On these topics, the actuarial profession is extremely well skilled and has much to contribute. In the IAA's view, these topics demand a close feedback loop between the supervisors (IAIS), insurers (via QIS's, direct dialogue, Q&A etc.) and the actuarial profession (e.g., IAA and Full Member Associations). Actuaries are present in each of these 3 groups but each group offers its own unique perspective. Undoubtedly, the 3 groups will agree on many things but on certain key aspects the view of the actuarial profession will be needed if disparate voices are present at the industry or even supervisory level.

The IAA believes the engagement document is missing a practical plan to engage stakeholders. Our comment #3 outlines a practical suggestion for such a plan.

The IAA believes there is a need for the IAIS to identify for each of their key projects who their key stakeholders are. While all stakeholders need to be kept in the loop, certain stakeholders may be deserving of special attention for a given project. On ICS for example, insurers are of necessity front and centre through their QIS participation (for example). The IAA believes it is adding considerable value currently in regard to solvency matters and that we can be of even greater value to the IAIS in helping it to achieve its mission critical goals through an enhanced level of stakeholder engagement (as described in more depth for all stakeholders in comment #3).

The IAA looks forward to being of assistance to the IAIS as SETF further develops its stakeholder engagement plan.

#### Annex B

(Lloyds) Item 9. We believe that the creation of stakeholder groups would provide benefits and therefore we would appreciate further details on this initiative. For instance, it is unclear what the function of these groups would be (i.e. if they would be created for advisory, informative and/or supporting purposes) and what their composition, duration of mandate, role of members, capacity and room for manoeuvre would be. It is understood that a request to establish one or more groups must come from a Parent Committee and would be subject to approval by the Executive Committee. It remains uncertain to which body these groups would report and whether IAIS members would also attend these meetings.



We propose that, in the preparatory works leading to the creation of stakeholder groups, Committee/Subcommittee chairs take account of the extent of representation achieved, for instance in terms of geographical and business model representation.

We also suggest that, in the future, once a number of stakeholder groups have been established, the IAIS might consider the value of converting them into permanent groups, equivalent to the different IAIS committees. Each stakeholder group could then hold discussions in parallel and provide an informed industry perspective on ongoing issues under the IAIS radar.

### ICPs

(ECIROA jointly with CICA) Initiative and proposal to add new paragraph and change/amend existing paragraphs to allow cross-border insurance as part of International Insurance Programs provided by internationally active Insurance Groups to Multinational Corporations.

Rational behind this initiative: there is no accounting, tax and insurance regulation compliant performance possible without a clear change for the conduct of insurance services in non-admitted countries. Existing requirements of G-20, OECD, EC and local authorities (Ministries of Tax / Economy / Treasury) cannot be fulfilled. Application of the Transfer Pricing Principle with insurance premium allocation to the country of risk and according appropriate tax payments is

Consumer protection is reduced due to the existing regulatory limitations and restrictions in the non-admitted countries.

Papers with explanation have been provided to IAIS. A first draft of the expected additional new ICP has been provided to IAIS.

Proposal to implement a Working Group, consisting of International Insurers, Insured Corporations and the Associations representing their interest) has been proposed in writing to IAIS - with Terms of Reference.